

Members

Rep. Mary Kay Budak, Chairperson
Rep. William Crawford
Sen. Connie Lawson
Sen. Rose Ann Antich-Carr
Pam Leffers
Mary Jane Scamahorn
Kimberly Armstrong
Mark Young
Becky Dennis
Sharon Molargik
Ann Stefaniak
Tonette Murff
Bonnie Miller
Susan Tucker
Mara Snyder
Ronald Stiver
Melanie Brizzi



COMMITTEE ON CHILD CARE

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Authority: P.L. 107-2005

MEETING MINUTES¹

Meeting Date: October 18, 2005
Meeting Time: 1:00 P.M.
Meeting Place: State House, 200 W. Washington St., Room 431
Meeting City: Indianapolis, Indiana
Meeting Number: 2

Members Present: Rep. Mary Kay Budak, Chairperson; Sen. Connie Lawson; Sen. Rose Ann Antich-Carr; Pam Leffers; Mary Jane Scamahorn; Kimberly Armstrong; Mark Young; Sharon Molargik; Ann Stefaniak; Tonette Murff; Bonnie Miller; Melanie Brizzi.

Members Absent: Rep. William Crawford; Susan Tucker; Mara Snyder; Ronald Stiver; Becky Dennis.

Rep. Budak called the meeting to order at 1:10 p.m. with introduction of the members of the Committee.

Prekindergarten Programs

Jayma Ferguson, Indiana Department of Education, provided written information² concerning the Department's development of "Foundations for Young Children to the

¹ Exhibits and other materials referenced in these minutes can be inspected and copied in the Legislative Information Center in Room 230 of the State House in Indianapolis, Indiana. Requests for copies may be mailed to the Legislative Information Center, Legislative Services Agency, 200 West Washington Street, Indianapolis, IN 46204-2789. A fee of \$0.15 per page and mailing costs will be charged for copies. These minutes are also available on the Internet at the General Assembly homepage. The URL address of the General Assembly homepage is <http://www.in.gov/legislative/>. No fee is charged for viewing, downloading, or printing minutes from the Internet.

²Attachment 1.

Indiana Academic Standards" (Foundations). She explained that Foundations was developed in response to the adoption of Indiana's academic standards, to help prepare children before entering school so that after entering school they would be better able to meet the standards. Foundations is implemented by caregivers and is currently focused on children from 3 to 5 years of age. Ms. Ferguson stated that she anticipates publication of an expansion for children from birth to 3 years of age in March, 2006. She explained that the special education division of the Department was involved in the development of Foundations, and that individuals can learn to use Foundations through the Department.

Ms. Ferguson also discussed the Indiana Ready to Learn, Ready Schools Initiative, explaining that it began one year ago with a pilot program in Muncie and now has 7 additional pilot sites in Indiana. She noted that the initiative is intended to improve communication between pre-school programs and public schools concerning children in poverty to improve services to and preparation of the children for school.

Ms. Ferguson stated that performance outcomes will be used to measure effectiveness of the programs. In response to questions from Rep. Budak, Ms. Leffers, and Sen. Lawson, Ms. Ferguson stated that: (1) special education needs are included in Foundations and special needs preschools are required to have access to the ISTAR online system which assists with this; (2) training sessions have been held by the Department and the Bureau of Child Development; (3) other states have greater financial resources for development and implementation of these programs; (4) pilot sites were chosen based on grant requirements and availability of necessary elements of the programs in the communities; and (5) school performance data will be used to measure effectiveness of the programs.

Family and Social Services Administration (FSSA) Child Care Quality Activities

Melanie Brizzi, Consultant, Division of Family Resources, FSSA, presented a summary of child care initiatives funded by FSSA.³ She noted the numbers of children and providers affected by each initiative and the partnerships with outside organizations in implementation of programs. Various programs implemented in partnership with the Indiana Association of Child Care Resource and Referral,⁴ the Indiana Association for the Education of Young Children, Indiana Child Care Fund, Indiana Perinatal Network, and others were discussed.⁵ Ms. Brizzi emphasized the need to increase quality child care capacity in Indiana and noted that parents need a choice of type of child care for their children.

Indiana Child Care Fund and Economic Impact Study

Marline Breece, Treasurer, Board of Directors, Indiana Child Care Fund, presented an executive summary⁶ and provided information concerning the Fund and its activities. She provided a summary of the contents of the Fund's "Employer Tool Kit" and a computer disk

³Attachment 2.

⁴Attachment 3.

⁵Attachment 4.

⁶Attachment 5.

containing further information⁷.

Ms. Breece presented "The Economic Dimensions of the Child Care Industry in Indiana"⁸, an economic impact study commissioned by the Fund as a result of a contract with FSSA. She cited information contained in the report, noting that the intended audience is the business community and that various segments of society are impacted in different ways by availability of child care. Ms. Breece noted the importance of investment in child care by businesses and the need for: (1) integration of child care needs in economic development strategies; (2) employer incentives; (3) quality promotion; and (4) increased availability of child care in Indiana.

Ms. Breece presented financial information⁹ concerning the Fund, noting that the report does not go into depth, but presents highlights about the finances of the Fund. In response to questions from Rep. Budak and Ms. Molargik, Ms. Breece stated that: (1) she could have financial information concerning 2005 for the Committee's meeting on October 24, 2005; (2) "government grants", as noted in the financial report, means federal funds administered by the state; and (3) she does not have information concerning amounts generated by special license plates, but will obtain that information for the October 24 meeting.

Other Issues

Mike Garatoni, President, Growing Kids Learning Centers, provided testimony¹⁰ concerning the disparity in child care regulation among the various types of child care providers. He: (1) noted that licensed care is decreasing in Indiana; (2) suggested that a single set of regulations should apply to all child care providers; (3) stated his belief that parents are typically unaware of the differences in types of child care providers and the requirements that apply to each type; (4) suggested that the Committee consider that competition exists in the child care area; and (5) requested that until a single set of regulations is established, all child care providers should only be required to register.

In response to a question from Rep. Budak, Mr. Garatoni stated that the current child care center regulations are acceptable to him as long as they apply to all child care providers. Ms. Leffers commented that according to one study, outcomes are typically better in regulated child care programs than in unregulated programs. Sen. Lawson noted that the issues raised by Mr. Garatoni are issues that have been discussed for many years and that there has not been the political will to change the current child care regulatory system. Ms. Brizzi stated that meetings have occurred with child care ministries concerning voluntary licensure, and that she would bring the results of a rate study performed for FSSA in May, 2005, and information concerning voucher payment rates to the October 24 meeting. Sen. Antich stated her belief that location of child care should not be the determining factor in regulation, rather the impact of regulation on the child should be the focus. Ms. Stefaniak agreed that regulations increase expenses which leads to closure of

⁷Attachment 6.

⁸Attachment 7.

⁹Attachment 8.

¹⁰Attachment 9.

licensed facilities. Ms. Scammahorn referred to her memo¹¹ to the Committee concerning the Committee's program of study and her recommendations concerning regulation.

In response to a question from Ms. Brizzi, Mr. Garatoni stated that tiered reimbursement tied to quality or accreditation would make no difference to him, noting that competition and costs determine the manner in which he charges his clients.

Mark Snyder, owner of 4 child care homes, stated that more restrictive child care center regulations have prevented him from combining the 4 child care homes into one child care center.

Ms. Leffers clarified that what is desired by child care providers is not lower standards for child care centers, but the same standards for all child care providers.

Committee Discussion Concerning Program of Study

Dianna Wallace, Indiana Association for the Education of Young Children, provided a memo¹² concerning the Association's public policy agenda for 2005. She noted that the Association advocates licensure for any child care provider that cares for 2 or more children. Rep. Budak referred to the handout¹³ from Carole Stein of The Stein Group, which contains issues identified by Ms. Stein for discussion and requested that the members review those issues. Rep. Budak also noted the letter¹⁴ from Mr. Young and requested that Mr. Young provide a summary for the members. Mr. Young stated that the single child care center in Decatur County is struggling, and that both licensed and unlicensed child care providers are closing. He agreed that changes in regulation should occur.

Rep. Budak requested that Ms. Naughton explain the draft final report¹⁵ and the process for findings and recommendations to be included in the final report. Ms. Naughton noted the handouts that had been provided to the members throughout the meeting, particularly those provided by Ms. Scammahorn, Mr. Young, Ms. Stein, and Ms. Wallace, in addition to the discussion and testimony received. She requested that the members provide to her, in writing, 1 or 2 sentences for any suggested findings and recommendations for inclusion in the final report, which Ms. Naughton would then compile for distribution to the Committee at the October 24 meeting. She explained that the Committee will then determine which findings and recommendations should be included in the final report. Rep. Budak noted that the suggested findings and recommendations should be submitted to Ms. Naughton by Thursday, October 20, 2005.

Sen. Lawson made suggestions concerning the program of study for consideration by the Committee, including: (1) an evaluation of FSSA programs which would be used to determine what programs most greatly empower families; (2) determine where incentives

¹¹Attachment 10.

¹²Attachment 11.

¹³Attachment 12.

¹⁴Attachment 13.

¹⁵Attachment 14.

for quality child care might be used, such as tax incentives, accreditation incentives, education incentives, etc.; (3) consideration of: (a) grandparents as caregivers; (b) competition within child care; (c) child care solutions for part time employees; and (d) involvement of the Division of Mental Health in assisting child care providers in identifying and addressing problems; and (4) determining what additional information is needed by the Committee to pursue changes in child care regulation.

Ms. Armstrong suggested that the Committee consider assessing where child care funding is spent currently, and whether that funding could be spent more effectively in a different manner. She noted the need for data to objectively assess whether use of funding currently has the desired impact.

Ms. Scammahorn suggested that the Committee consider involvement of child care providers in providing pre-kindergarten programs that may be developed and established in the future. Ms. Leffers suggested reviewing incentives for increased quality of child care implemented by other states. Ms. Stefaniak stated her belief that there is currently no incentive to be licensed in Indiana.

There was general discussion concerning parent awareness of quality in child care, regulation, capacity requirements, increasing unlicensed child care and child care ministries.

Rep. Budak requested that Ms. Murff share her thoughts concerning child care ministries. Ms. Murff responded that many ministries follow licensure guidelines, but are not licensed for a variety of reasons. She predicted that if a single set of child care regulations applied to all child care providers many ministries and unlicensed providers would close. She noted the need for parents to obtain information concerning different types of child care.

There was general discussion concerning the quality of child care ministries and the method by which a child care provider qualifies as a child care ministry under Indiana law.

Rep. Budak requested that those present submit to Ms. Naughton, by Thursday, October 20, 2005, a list of 5 regulatory requirements that should apply to all child care providers.

Additional Testimony

Mark Snyder, owner of 4 child care homes, presented two handouts¹⁶ concerning water quality concerns related to his child care homes. Ms. Brizzi agreed to discuss his issues with Mr. Snyder.

With no further business to discuss, Rep. Budak adjourned the meeting at 3:50 p.m.

¹⁶Attachment 15.